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STATE OF TEXAS  
COUNTY OF TARRANT

**KNOW ALL MEN BY THESE PRESENTS:**

## **FIRST AMENDMENT TO OIL AND GAS LEASE (No Surface Use)**

This First Amendment to Oil and Gas Lease ("First Amendment") is made by and between **Ridglea Country Club**, 3700 Bernie Anderson Ave. (hereinafter "Lessor"), and **Chesapeake Exploration, L.L.C.**, an Oklahoma limited liability company, whose address is P.O. Box 18496, Oklahoma City, Oklahoma 73154 (hereinafter "Lessee").

WHEREAS, on the 16th day of August, 2006, Lessor executed and delivered to Four Sevens Resources Co., Ltd. ("Four Sevens") an Oil and Gas Lease (No Surface Use), a memorandum of which was recorded as Instrument No. D206348182 in the Official Public Records of Tarrant County, Texas (the "Original Lease").

WHEREAS, the Original Lease was assigned by Four Sevens to Chesapeake by that certain Assignment, Bill of Sale and Conveyance, dated effective July 1, 2007, recorded as Document No. D207232981 in the Official Public Records of Tarrant County, Texas.

WHEREAS, 27.5 acres of the lands covered by Original Lease were assigned to XTO Energy Inc., by conveyance dated effective August 4, 2008, recorded as Document No. D208308334 in the Official Public Records of Tarrant County, Texas (the "XTO Lease"), leaving the remaining acreage burdened by the Original Lease with Chesapeake (the "Chesapeake Lease"). The XTO Lease and the Chesapeake Lease are to be treated as separate leases per that certain unrecorded letter agreement between Plover Production Company, L.L.C., Chesapeake and Lessor, dated December 19, 2007.

WHEREAS, it is the desire of Lessor and Chesapeake to amend only the Chesapeake Lease (and not the XTO Lease), as provided for herein.

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Lessor and Chesapeake hereby amend the Chesapeake Lease as follows:

Paragraph 2 of the Chesapeake Lease is hereby deleted in its entirety and replaced by the following new paragraph 2:

**“2. PRIMARY TERM. This lease shall remain in force and effect for a term of two (2) years and two (2) months from the Effective Date set out above (hereinafter called “Primary Term”), and as long thereafter as there is production in paying quantities from any portion of the Leased Premises contributed to Retained Tract(s), as provided in paragraph 5 herein.”**

Paragraph 5 of the Chesapeake Lease is hereby deleted in its entirety and replaced by the following new paragraph 5:

**“5. CONTINUOUS DEVELOPMENT.**

(a) At the later to occur of the expiration of the Primary Term or at the end of the “Continuous Development Period” provided in subpart (c) below, this lease shall terminate as to all of the Leased Premises SAVE and EXCEPT all lands included in a pooled unit created under Paragraph 6 hereof which contain a horizontal well then producing gas in paying quantities. Each such pooled unit shall be a “Retained Tract” hereunder. For purposes of this lease, a horizontal well shall be defined as a horizontal well under Texas Railroad Commission Statewide Rule 86. Further, at the expiration of the later to occur of one (1) year beyond the expiration of the Primary Term or the end of the Continuous Development Period, provided in subpart (c) below, Lessee shall release all rights under each such Retained Tract(s) more than 100' below the stratigraphic equivalent of the then deepest producing formation.

(b) Lessee shall, within thirty (30) days after the partial expiration of this lease for any reason as provided herein, file of record in the Office of the County Clerk where the Leased Premises are located, an instrument releasing this lease insofar as said lease has terminated.

(c) If at the end of the Primary Term, Lessee is then engaged in the actual drilling of a horizontal well for gas on the Leased Premises or lands pooled therewith (or Lessee has reached total depth and released the drilling rig on a horizontal well during the Primary Term), then the release provisions of this Paragraph 5 shall not be applicable until such time as the Lessee has been allowed a period of ninety (90) consecutive days between the date the drilling rig is released on a well and the commencement of actual drilling operations on a subsequent well on the Leased Premises or lands pooled therewith, and fails to commence actual drilling operations on such subsequent well within such ninety (90) day period (the “**Continuous Development Period**”). If during the Primary Term a horizontal well is drilled to total depth on the Leased Premises or lands pooled therewith and the drilling rig released by Lessee before the end of the Primary Term, the Continuous Development Period shall initially run from the end of the Primary Term.

(d) At such times as a partial termination of this lease occurs under the provisions of this Paragraph 5, each Retained Tract shall be considered as a separately leased tract, in the same manner as if Lessor had executed separate leases covering each such Retained Tract.

(e) If at any time production in paying quantities should cease from a Retained Tract hereunder, this lease shall not terminate as to the portion of the Leased Premises then included within such Retained Tract if drilling or reworking operations are commenced on such Retained Tract within ninety (90) days after such cessation of production; and if such drilling or reworking operations are so commenced, this lease will

remain in effect as to the lands then included within such Retained Tract for as long as such drilling or reworking operations continue with no cessation of more than ninety (90) consecutive days, and if production of oil or gas is restored on such Retained Tract, for as long as production continues in paying quantities.

(f) For purposes of this lease, drilling operations shall be deemed to have "commenced" when a drilling rig and machinery capable of drilling to a depth sufficient to test the Barnett Shale formation have been erected on the well location.

Paragraph 6 of the Chesapeake Lease is hereby deleted in its entirety and replaced by the following new paragraph 6:

"6. POOLING. Lessee shall pool at least twelve (12) acres of the Leased Premises into a pooled unit no larger than eighty (80) acres in size, for the first well drilled under this lease (the "**First Pooled Unit**"). Lessee shall pool all of the remaining Leased Premises into a second pooled unit no larger than two hundred and seventy-five (275) acres in size (the "**Second Pooled Unit**"). Such pooled units shall be treated as Retained Tracts under paragraph 5 above. Lessee shall execute an instrument identifying such pooled units and filing it for record in the public office in which this lease is recorded and providing a copy thereof to Lessor. At any time while this lease is in force, Lessee may not dissolve any pooled unit established hereunder without Lessor's prior written consent. If operations are being conducted for drilling on or production of oil or gas from any part of a properly pooled unit which includes a portion of the Leased Premises, such operations or production shall be considered as operations for drilling on or production of oil and gas from that portion of the Leased Premises which is included in such pooled unit whether or not the well or wells are located on the Leased Premises. For the purpose of computing the royalties to which owners of royalties and payments out of production shall be entitled on production of oil and gas from any pooled unit, there shall be allocated to that portion of the Leased Premises included in said unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) that pro rata portion of the oil and gas produced from the pooled unit which the number of surface acres of the Leased Premises included in the pooled unit bears to the total number of surface acres included in the pooled unit. Such allocation shall be on an acreage basis—that is to say, there shall be allocated to the pooled unit (or to each separate tract within the unit) that pro rata portion of all of the oil and gas, or either of them, produced from the pooled unit which the number of surface acres covered by this lease (or in such separate tract) and included in the pooled unit bears to the total number of acres in the pooled unit. Pooling hereunder shall not constitute a cross-conveyance of interests. In the event this lease, or any part thereof, covers separate tracts, no communization of royalty interests as between any such tracts is intended or shall result from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right and authority to pool or unitize the lease premises as provided in the pooling or other such provisions contained in this lease. As used in this paragraph, the term "separate tract" means any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the Leased Premises."

A new Paragraph 24 is hereby added to the Chesapeake Lease as follows:

24. In the event that at least one (1) horizontal well is drilled and completed in the Barnett Shale formation within the Second Pooled Unit and such well has an average production over 70 million cubic feet (70 MMCF) of gas for any thirty (30) day period and the average daily closing NYMEX spot price for natural gas as quoted in the Wall Street Journal during such period is at or above \$6.00 per million British Thermal Units (MMBtu), Lessee hereby agrees that it will drill and complete at least two (2) additional horizontal wells within the Barnett Shale formation and within the Second Pooled Unit (the "**Additional Pooled Unit Wells**") prior to three (3) years from the end of the Primary Term of this lease (the "**Initial Development Date**"). If any of the two Additional Pooled Unit Wells are not drilled and completed before the Initial Development Date, Lessee shall immediately pay exclusively to Lessor, the sum of Two Hundred Thousand Dollars (\$200,000) for each of the Additional Pooled Unit Wells not drilled and completed by the Initial Development Date. Nothing in this paragraph shall limit or relieve Lessee from any of its implied duties or its duty to develop the leased premises as a reasonably prudent operator.

This agreement may be executed in multiple counterparts, all of which shall be deemed to constitute one instrument.

This agreement shall be binding upon and inure to the benefit of the parties hereto, their respective heirs, legal representatives, successors and assigns.

*[the remainder of this page was intentionally left blank]*

EXECUTED to be effective on this the 7th day of August 2008.

**LESSOR:**

**RIDGLEA COUNTRY CLUB**

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Its: \_\_\_\_\_

**LESSEE:**

**CHESAPEAKE EXPLORATION, L.L.C.**



By: Henry J. Hood

Its: Sr. Vice President - Land & Legal & General Counsel



## ACKNOWLEDGMENTS

STATE OF TEXAS            §  
                               §  
COUNTY OF TARRANT    §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2008, by  
\_\_\_\_\_, as \_\_\_\_\_ of Ridglea Country Club, on behalf of said  
organization.

\_\_\_\_\_

Notary Public, State of Texas

My Commission Expires: \_\_\_\_\_

My Commission Number: \_\_\_\_\_

STATE OF OKLAHOMA    §  
                               §  
COUNTY OF OKLAHOMA §

This instrument was acknowledged before me on the 13<sup>th</sup> day of August, 2008, by  
Henry J. Hood, Sr. Vice President - Land & Legal & General Counsel of **Chesapeake  
Exploration, L.L.C.**, an Oklahoma limited liability company, on behalf of the company.

Savannah A. Ledgerwood  
Notary Public, State of Oklahoma

My Commission Expires: \_\_\_\_\_

My Commission Number: \_\_\_\_\_



EXECUTED to be effective on this the 7th day of August 2008.

**LESSOR:**

**RIDGLEA COUNTRY CLUB**

By: Sanford Green  
Printed Name: Sanford Green  
Its: President

**LESSEE:**

**CHESAPEAKE EXPLORATION, L.L.C.**

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By: Henry J. Hood  
Its: Sr. Vice President - Land & Legal & General Counsel

## ACKNOWLEDGMENTS

STATE OF TEXAS                          §  
    §  
COUNTY OF TARRANT                      §

This instrument was acknowledged before me on the 13 day of August, 2008, by  
Sanford Green, as President of Ridglea Country Club, on behalf of said  
organization.



Laura Denise Tonne

Notary Public, State of Texas

My Commission Expires: 1/28/2012  
My Commission Number: 00523230-3

STATE OF OKLAHOMA                      §  
    §  
COUNTY OF OKLAHOMA                    §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2008, by  
Henry J. Hood, Sr. Vice President - Land & Legal & General Counsel of **Chesapeake  
Exploration, L.L.C.**, an Oklahoma limited liability company, on behalf of the company.

\_\_\_\_\_  
Notary Public, State of Oklahoma

My Commission Expires: \_\_\_\_\_  
My Commission Number: \_\_\_\_\_

Record & Return to:  
Chesapeake Operating, Inc.  
P.O. Box 65490  
Oklahoma City, OK 73154